



# Social Entrepreneurship for Disaster Risk Reduction

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Our world now is  
overwhelmed with  
problems

# There are people who really concerned about these problems but....

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What do we want to solve?

Why should we solve the problem?

Where is the problem?

Who are the target groups?

When should the problem be solved?

How can this problem-solving be done effectively ?



## Sustainability?



SE Business Models

SE Ideation

Impacts of SE

SE  
Business Model Canvas

SE Definition

# Introduction to Social Enterprise

A photograph of Prof. Dr. Muhammad Yunus, an elderly man with grey hair, wearing a light-colored kurta and a grey vest. He is speaking into a microphone held in his left hand and has his right hand raised, pointing his index finger towards his forehead. The background is dark.

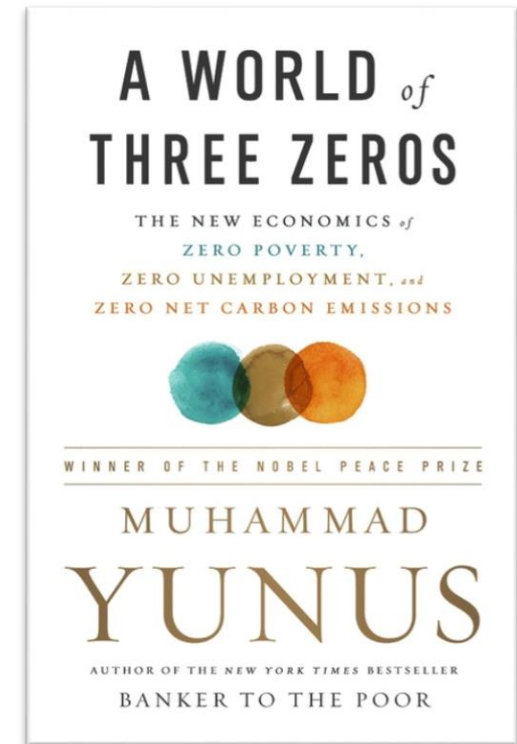
# The roots of Social Enterprise

Prof. Dr Muhammad Yunus, Founder of Grameen Bank, Nobel Laureate (2006)

# Why Prof. Muhammad Yunus is so passionate about Social Business?

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- Poverty is a huge problem in Bangladesh.
- He sees that the fact that poor people are alive is clear proof of their ability.
- He thinks that there are solutions to the world's problem, we are just complicating it with our arrogance.
- With microfinancing/microcredit system, he was able to help the hardcore poor in Bangladesh through Grameen Bank.



# What is Social Enterprise?

- *Organizations that address a basic unmet need or solve a social or environmental problem through a market-driven approach.*
- *Profit is reinvested in the community or the company.*



# The Distinction between SE, NGO and CSR

## 1. Funding



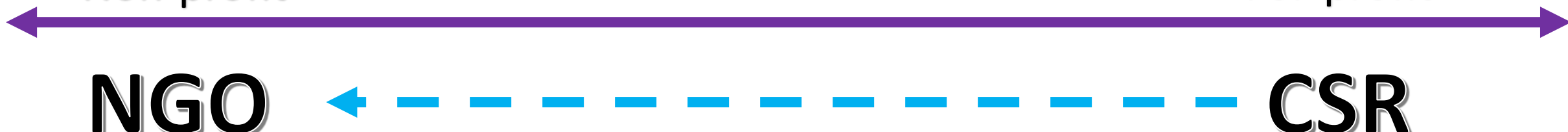
Non-profit



For-profit

NGO

CSR





# The Distinction between SE, NGO and CSR

## 2. Impact

Impact measurement : **TRIPLE BOTTOM LINE**

**People = Social**

**Planet = Environmental**

**Profit = Economic**



# The Longevity of Japanese companies

## The secret

- The clarity of purpose and long-term perspective
- Employee-focused, customer-oriented
- Modest, frugal, adaptable
- Passing on values



Number of years in business	Number of companies
At least 100 years old	20,000
200 years old	1,200
300 years old	400
500 years old	30
1000 years old	7

# Impacts that an SE can bring to the community



**1** No Poverty



**2** Zero Hunger



**3** Good Health & Well-Being



**4** Quality Education



**5** Gender Equality



**6** Clean Water & Sanitation



**7** Affordable & Clean Energy



**8** Decent Work & Economic Growth



**9** Industry Innovation & Infrastructure



**10** Reduced Inequalities



**11** Sustainable Cities and Communities



**12** Responsible Consumption & Production



**13** Climate Action



**14** Life Below Water



**15** Life On Land



**16** Peace, Justice & Strong Institutions



**17** Partnerships for the Goals

Which issue(s) would you like to tackle?

Impact on  
Disaster-  
Prone Area  
by stages

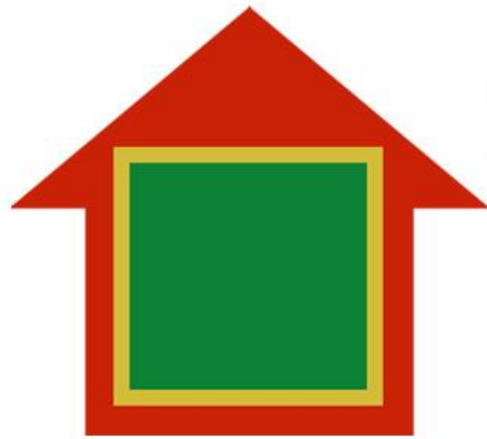


**DISASTER MANAGEMENT CYCLE**

# Social Enterprise Business Models

Business Models	Explanation
Cross-compensation	One group of customers pays for the service. Profits from this group are used to subsidize the service for another, underserved group.
Fee for Service	Beneficiaries pay directly for the goods or services provided by the social enterprise.
Employment & skills training	The core purpose is to provide living wages, skills development, and job training to the beneficiaries: the employees.
Market intermediary	The social enterprise acts as an intermediary, or distributor, to an expanded market. The beneficiaries are the suppliers of the product and/or service that is being distributed to an international market.
Market connector	The social enterprise facilitates trade relationships between beneficiaries and new markets.
Independent support	The social enterprise delivers a product or service to an external market that is separate from the beneficiary and social impact generated. Funds are used to support social programs to the beneficiary.
Cooperative	A for-profit or nonprofit business that is owned by its members who also use its services, providing virtually any type of goods or services.

## Case Study 1 : Grameen Bank



GRAMEEN

*Banking for the poor*



## The conventional banks

- Love rich people
- Lends big sum of money
- Must have collateral
- Customers need to go to them to get service

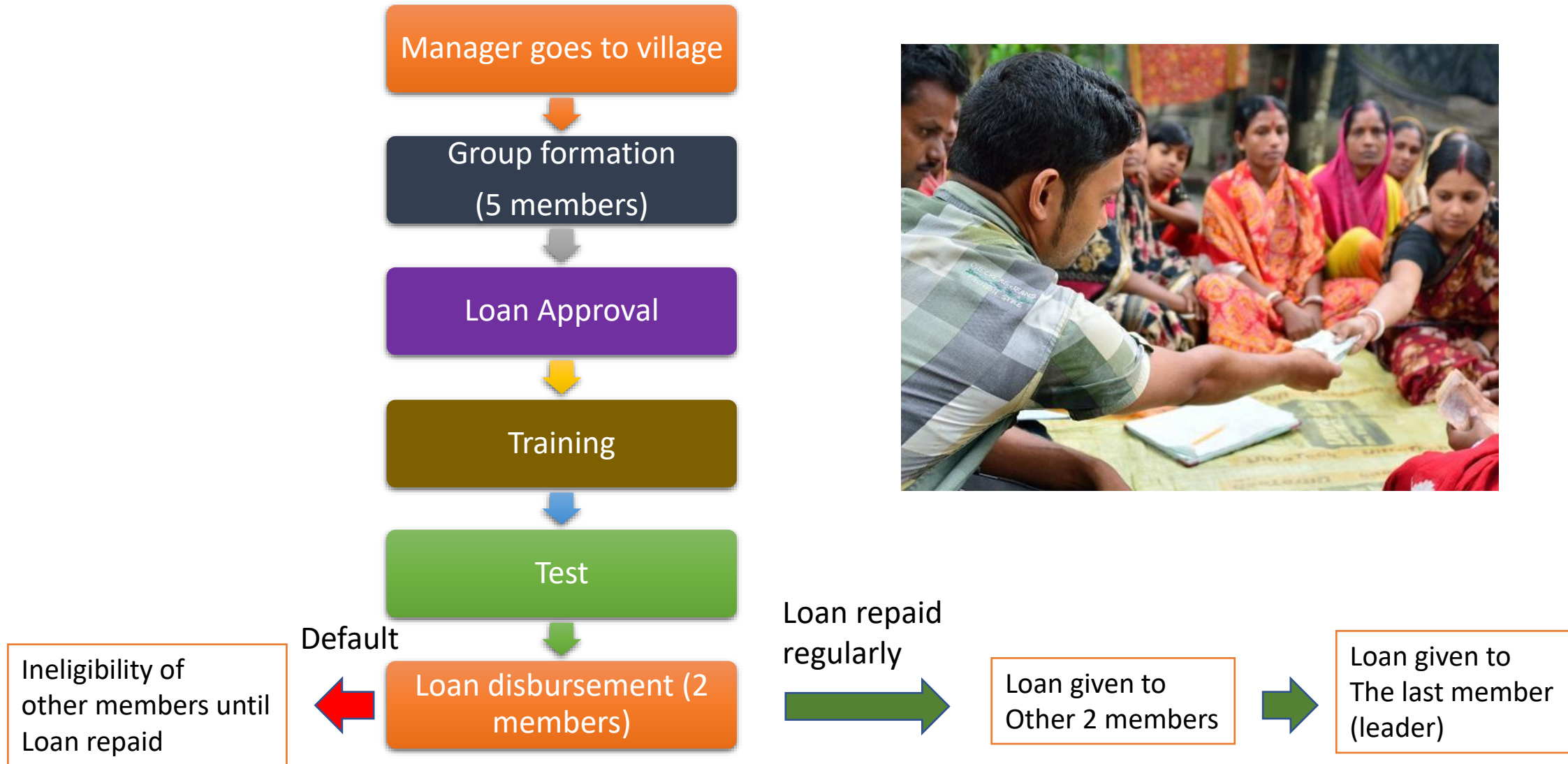
# Grameen Bank

- For poor people (women)
- Lends small amount of money (microfinance)
- No collateral
- Bank goes to customer





# Microfinancing Mechanism in Grameen Bank



# Case Study 2 : ZaaCoal Ghana

# CHOOSE ZAACOAL

100% NATURAL SMOKELESS CHARCOAL

HIGH ENERGY CONTENT

[www.zaacoal.com](http://www.zaacoal.com)



# The conventional energy source

- Founder : Amin Sulley
- Issue : Ghana's reliance on wood or kerosene to cook (70-80% across Africa)
  - In Sub-Saharan Africa, indoor smoke causes 400,000 deaths per year
  - Massive tree-cutting is bad for environment





## Change to alternative energy source

- There were more than 1000 coconut seller in Ghana.
- Coconut pods waste was overwhelming.
- By transforming coconut waste to smokeless, environmentally-friendly and cheap charcoal :
  - Health problems due to indoor smoke was alleviated.
  - Tree-cutting was substantially reduced.
  - Increased job opportunities for the locals.



## Case Study 3 : Aravind Eyecare



ARAVIND  
EYE CARE SYSTEM

# Conventional Eyecare

- In the 1980s, cataract was the major cause of blindness in India (80%).
- Treatment for cataract is very expensive. Full price up to \$100.



# Change to more innovative product and practices

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- Establishment of Aravind Eyecare Hospital
- making intraocular lenses more affordable
- training more cataract surgeons
- developing good systems of service delivery as well as innovative operating practices (the 'assembly line' system).
- Profits from full-paying patients are used to subsidize poor patients.



# Masala Wheels





# Langit



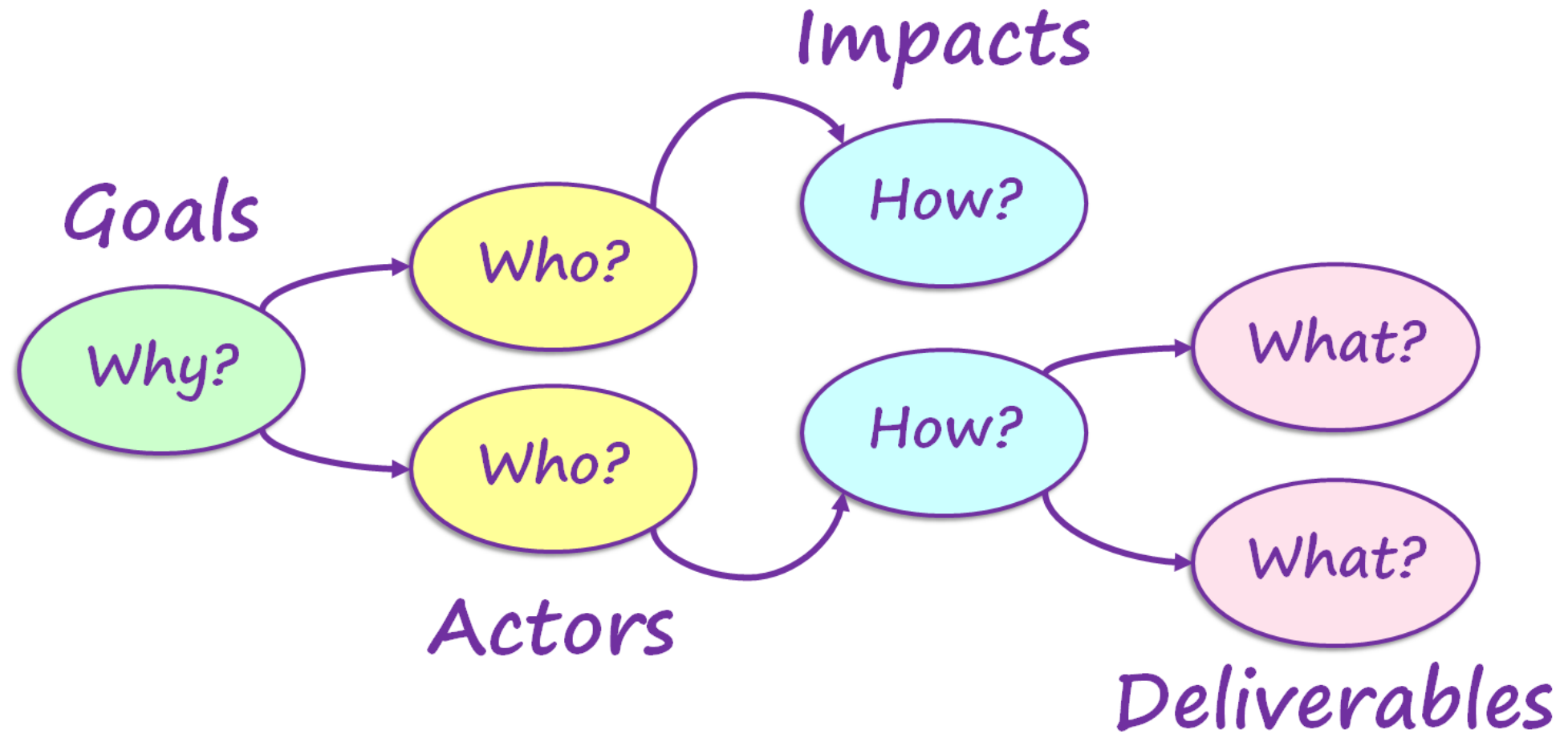
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# Social Enterprises : Which Business Model?

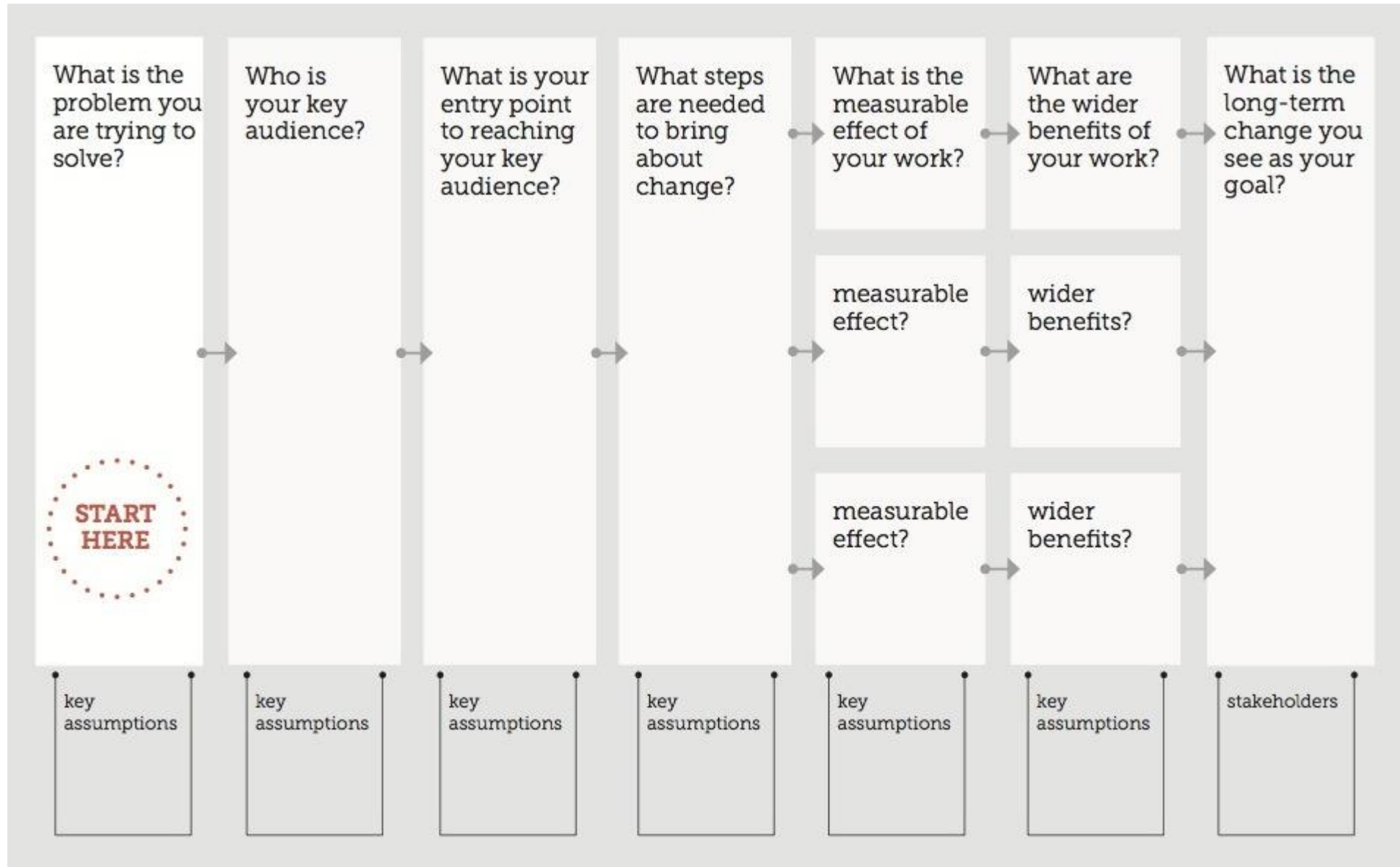
Business model	Case
Cross-compensation	Aravind EyeCare System
Fee for Service	Zaacool
Employment & skills training	Masala Wheels
Market intermediary	
Market connector	Langit
Independent support	
Cooperative	Grameen Bank

# Impact Mapping

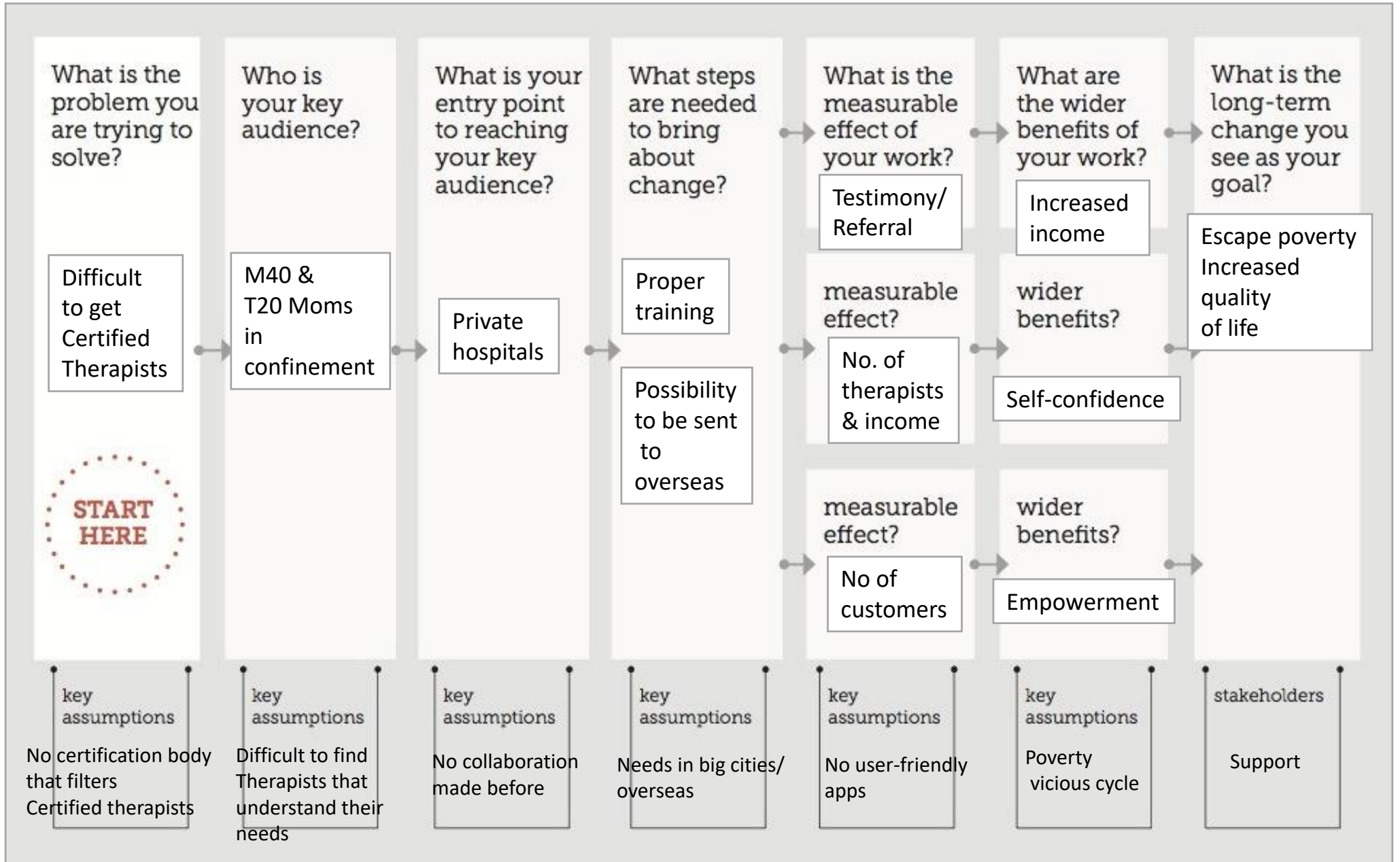


# THEORY OF CHANGE

methodology for planning, participation, and evaluation that is used in companies, philanthropy, not-for-profit and government sectors to promote social change.



# THEORY OF CHANGE



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# SOCIAL BUSINESS MODEL CANVAS

<b>MISSION:</b>				
<b>IMPLEMENTATION</b>		<b>VALUE</b>	<b>MARKET</b>	
<b>Key Allies</b>	<b>Key Resources</b>	<b>Social Innovation</b>	<b>Customer Relationships</b>	<b>Channels</b>
	<b>Key Activities</b>	<b>Value Proposition</b>	<b>Consumer Benefits</b>	
<b>FINANCES</b>				
<b>Cost of Delivery</b>		<b>Community Reinvestment</b>	<b>Revenue Streams</b>	

# WORKED EXAMPLE - TOM'S SHOES

<b>MISSION:</b> With every product you purchase, TOMS will help a person in need. One for One®.				
IMPLEMENTATION		VALUE	MARKET	
<b>Key Allies</b> <ul style="list-style-type: none"> <li>• Suppliers provide environmentally sound materials</li> <li>• Shoe retailers sell product to customers</li> <li>• Humanitarian organizations collaborate on social programs</li> <li>• In-country volunteers distribute shoes for free in target countries</li> </ul>	<b>Key Resources</b> <ul style="list-style-type: none"> <li>• Working capital</li> <li>• Large workforce</li> <li>• Manufacturing facilities</li> <li>• Volunteer base</li> </ul>	<b>Social Innovation</b> <p>One-for-one concept is distinctive from traditional charitable giving</p>	<b>Customer Relationships</b> <ul style="list-style-type: none"> <li>• Brand conscious millennials and hipsters</li> <li>• People experiencing first-world consumer guilt</li> </ul>	<b>Channels</b> <ul style="list-style-type: none"> <li>• Social media</li> <li>• Global awareness raising events</li> <li>• Campus and schools programs</li> <li>• Corporate cause marketing partnerships</li> <li>• E-commerce and online advertising</li> <li>• International network of shoe retailers</li> </ul>
	<b>Key Activities</b> <ul style="list-style-type: none"> <li>• Product development</li> <li>• Manufacturing process</li> <li>• Online selling</li> <li>• Tracking and shipping</li> <li>• Customer service</li> <li>• Social programs</li> </ul>	<b>Value Proposition</b> <ul style="list-style-type: none"> <li>• Meaningful cause</li> <li>• High quality product               <ul style="list-style-type: none"> <li>• Ethical company</li> <li>• Status symbol</li> </ul> </li> <li>• Fresh way to donate</li> </ul>	<b>Consumer Benefits</b> <ul style="list-style-type: none"> <li>• Children educated</li> <li>• Better family health</li> <li>• Economic opportunity</li> </ul>	
FINANCES				
<b>Cost of Delivery</b> <ul style="list-style-type: none"> <li>• Shoe design and manufacturing</li> <li>• Marketing</li> <li>• Logistics</li> <li>• Distribution of donated shoes</li> </ul>		<b>Community Reinvestment</b> <ul style="list-style-type: none"> <li>• One-for-one product donation</li> <li>• Company giving program</li> </ul>	<b>Revenue Streams</b> <ul style="list-style-type: none"> <li>• Revenue from shoe sales</li> <li>• Sales of accessories</li> </ul>	



# Social Enterprise Accreditation in Malaysia

## CRITERIA FOR SE.A



### **Proactively create positive social or environmental impact**

The organisation has a clearly stated social or environmental goal



### **Contributes significant resources to the social or environmental mission**

The organisation allocates a significant amount of resources towards their social or environmental goal



### **Be Financially sustainable**

More than half of total annual revenue is earned (e.g. by selling goods or services to customers – as opposed to donations or grants)

## Social Enterprise Accreditation (SE.A)

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The SE.A intends to **certify the status of social enterprises** to help them access greater support and opportunities to grow.

Through the accreditation process, an organization that is recognized as an Accredited Social Enterprise will be listed on SE.A MED online platform that provides customers and public with access to information on SEs more efficiently.

## Benefits derived from SE.A

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Accredited SEs receive the following benefits:

**Get listed on a public directory** which enables potential customers to access information about Social Enterprises.

**Included in the Buy-for-impact campaign** to encourage public and private involvement in social procurement.

**Get access to other funding and support** – over time, MED and other agencies will provide a range of additional support for accredited SEs subject to prescribed conditions.

**Join a network of Malaysia's leading social enterprises** – with events, networking and other opportunities to collaborate and learn.



**Thank You!**